

Message Text

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PAGE 01 GENEVA 02890 231746Z
ACTION STR-07

INFO OCT-01 AF-10 ARA-10 EA-10 EUR-12 NEA-10 IO-13
ISO-00 STRE-00 AGRE-00 CEA-01 CIAE-00 COME-00
DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
ITC-01 TRSE-00 USIA-06 SP-02 SOE-02 OMB-01 DOE-11
OIC-02 /159 W
-----001862 231816Z /50

P 231735Z FEB 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 6357
INFO AMEMBASSY BRUSSELS

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USMTN, USEEC
ACTION STR PASS ELECTRICALLY
STR PASS CODEL

E.O.11652:N/A
TAGS: MTN, EEC, ETRD
SUBJECT: US-EC BILATERAL ON TARIFFS FEBRUARY 22, 1978

1. SUMMARY. U.S. MTN DEL (MCNAMARA, ET AL) MET WITH EC (DUGIMONT, LIBERTALIS, GROSSKREUZ) IN A BILATERAL INTENDED TO MAINTAIN MOMENTUM AND TO ANSWER EC'S TECHNICAL QUESTIONS ON U.S. OFFER. THE MEETING WAS DISTINCTLY VOID OF EC POLEMICS ABOUT HARMONIZATION, LACK OF ADHERENCE TO THE WORKING HYPOTHESIS, ETC., AND INDICATED THAT THE EC HAS BEEN ENGAGED IN AN EXTREMELY DETAILED LINE-BY-LINE EXAMINATION OF THE U.S. OFFER. WE ASKED AGAIN WHEN WE WOULD SEE AN EC OFFER SIMILAR IN FORM AND CONTENT TO OUR OWN, AND DUGIMONT PROMISED THAT A COPY OF THE 1978 CXT WITH OFFER RATES WOULD BE AVAILABLE BY THE END OF THE WEEK. END SUMMARY.

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PAGE 02 GENEVA 02890 231746Z

2. DUGIMONT'S QUESTIONS WERE ALMOST ENTIRELY DIRECTED AT THE MECHANICS OF THE U.S. OFFER, I.E., HOW WERE AVE'S CALCULATED; DID THE OFFER COVER ALL TARIFF ITEMS (THE EC WAS AWARE THAT TSUS 494.30 IS MISSING); AND WHAT BASE RATE DID WE USE (WE REPLIED THAT WE HAD USED EITHER THE GATT BOUND RATE OR ON UNBOUND ITEMS, THE APPLIED RATE AS

SHOWN IN SCHEDULES 1 THROUGH 7, CONSISTENT WITH TRADE ACT AUTHORITY). DUGIMONT NOTED THAT ON WOOL BLENDS, TSUS 355.70, 356.30, AND 395.30 (THE PRATO WOOL BLENDS) WE HAD USED A RATE HIGHER THAN THE GATT BOUND RATE. HE ALSO POINTED OUT A NUMBER OF ANOMOLIES IN THE U.S. OFFER - SOME WE HAD DISCOVERED OURSELVES - AND WHICH ARE BEING REPORTED SEPTEL.

3. DUGIMONT WANTED TO KNOW IF AGRICULTURAL REQUESTS COULD STILL BE SUBMITTED SINCE THE EC'S FIRST REQUEST LIST WAS BASED ON THEIR DEFINITION OF AGRICULTURE AND NOT OUR OWN. WE REPLIED, OF COURSE, AND THE SOONER THE BETTER. DUGIMONT ALSO PROBED OUR INTENTION TO NEGOTIATE "CHICKEN WAR" ITEMS. WE REPLIED THAT WE INTENDED TO NEGOTIATE THOSE ITEMS "IN THEIR HISTORICAL CONTEXT," I.E., IF A SOLUTION IS FOUND TO THE PROBLEM WHICH CAUSED THE ADDITIONAL DUTIES PROVIDED IN SCHEDULE 9, THE FULL REDUCTION OFFERED WOULD BE AVAILABLE.

4. THE EC MISCHIEVOUSLY ASKED US ABOUT OUR OFFER ON 17 JEWEL, SELF-WINDING ELECTRONIC WATCHES. WE REPLIED THAT THE WATCH SCHEDULE WAS ONE OF THOSE INSTANCES WHERE WE HAD NOMENCLATURE REVISIONS UNDER CONSIDERATION, AND TO CONSIDER OUR CURRENT OFFER ON WATCHES IN THAT LIGHT.

5. BOTH SIDES AGREED TO EXCHANGE TRADE DATA AND CONCORDANCES IN ORDER TO BE ABLE TO EVALUATE EACH OTHER'S LIMITED OFFICIAL USE

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PAGE 03 GENEVA 02890 231746Z

OFFER. WE PROBED WITH SOME INTENSITY ON THIS POINT SINCE THE EC HAS A CONSIDERABLE HEADSTART, HAVING ALREADY RECEIVED A TSUSA 7-DIGIT TAPE AND HAVING OUR OFFER BEFORE THEM.

6. DRAFTED BY MALISH. CULBERT

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TARIFFS, ECONOMIC PROGRAMS, MEETING PROCEEDINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Format: TEL
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ISecure: 1
Legacy Key: link1978/newtext/t19780224/aaaaatnf.tel
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